



# PUBLIC NOTICE

**Federal Communications Commission**  
**445 12<sup>th</sup> Street, S.W.**  
**Washington, D.C. 20554**

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**DA 02-2734**  
**Released: October 17, 2002**

## **DOMESTIC SECTION 214 APPLICATION FILED FOR CONSENT TO TRANSFER OF CONTROL OF TELEGLOBE PUERTO RICO, INC. TO SKYONLINE**

### **STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 02-268**

On August 21, 2002, Teleglobe USA Inc. (Debtor-in-Possession) (Teleglobe USA), Teleglobe Puerto Rico Inc. (Debtor-in-Possession) (Teleglobe PR), and Teleglobe Inc. (Debtor-in-Possession) (Teleglobe) and SkyOnline Holdings, LLC (SkyOnline) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended 47 U.S.C. § 214, filed an application for approval to transfer control of Teleglobe PR to SkyOnline.<sup>1</sup> Prior to the requested transfer, Teleglobe will transfer certain assets from Teleglobe USA to Teleglobe PR pursuant to section 63.03(d) of the Commission's rules.<sup>2</sup>

Applicants assert that this application is subject to streamlined processing under section 63.03(b)(2)(i) of the Commission's rules because the Applicants are non-dominant carriers.<sup>3</sup>

Teleglobe USA is a Delaware corporation providing both facilities-based and resold telecommunications services to customers in the United States, including Puerto Rico. Teleglobe USA is an indirect wholly-owned subsidiary of Teleglobe, a provider of international telecommunications services in Canada and around the world. Teleglobe PR is a Puerto Rico corporation providing Internet access, backbone and other information services from facilities located near San Juan. Teleglobe PR is a directly wholly-owned subsidiary of Teleglobe and a sister company of Teleglobe USA.

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<sup>1</sup> Other applications involving this proposed transaction have been filed at the Commission and will be processed separately. Any action on this domestic 214 application is without prejudice to Commission action on other related pending applications.

<sup>2</sup> 47 C.F.R. § 63.03(d).

<sup>3</sup> 47 C.F.R. § 63.03(b)(2)(i).

SkyOnline is a Delaware limited liability company, wholly-owned by SkyOnline, Inc. Through its operating subsidiaries, SkyOnline, Inc. provides data and voice communications in various Latin American countries.

As described in the Restructuring Application, on May 15, 2002, Teleglobe, along with certain of its affiliates, filed for creditor protection under the United States Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (U.S. Bankruptcy Court) to stay actions by creditors against the assets of Teleglobe located in the United States pending resolution of Teleglobe's bankruptcy proceeding under Canadian law (CCAA Proceedings). On May 28, 2002, each of Teleglobe's subsidiaries organized in the United States or in Puerto Rico including Teleglobe USA and Teleglobe PR, filed voluntary petitions for relief under the U.S. Bankruptcy Code with the U.S. Bankruptcy Court., and such debtors' Chapter 11 cases (U.S. Chapter 11 Proceedings, and together with the CCAA Proceedings, collectively, the Bankruptcy Proceedings) have been consolidated for procedural purposes only and are being administered jointly.

As part of the Bankruptcy Proceedings, Teleglobe and Teleglobe USA are undergoing a reorganization (Teleglobe Reorganization), which among other steps, involves the transfer and sale of their non-core data and other related telecommunications assets in Central and South America, including Teleglobe USA's ownership interest in the MAYA-1 cable system.

As part of the Teleglobe Reorganization, on July 8, 2002, Teleglobe together with certain of its directly and indirectly wholly-owned subsidiaries, including Teleglobe USA (collectively, Sellers), and SkyOnline executed a purchase agreement (Purchase Agreement), a management agreement (Management Agreement), and certain other ancillary agreements, whereby among other transactions: (i) in connection with the Purchase Agreement, Teleglobe USA will assign *pro forma* to Teleglobe PR all of its capacity and ownership rights in the MAYA-1 submarine cable, including the Cable Landing License and associated international section 214 authorization; (ii) Sellers will sell and SkyOnline will purchase (A) all of the issued and outstanding equity securities of certain of Teleglobe's Latin American subsidiaries, including the shares of Teleglobe PR from Teleglobe, and (B) certain assets of Teleglobe USA and Teleglobe's Colombian subsidiary; and (iii) SkyOnline will manage certain of the assets of the Sellers until the closing of the transactions described in (i) and (ii) above (Proposed Transactions). The instant application is necessitated because among the assets being transferred to Teleglobe PR is a Teleglobe USA customer contract for the provision of domestic private line service between the United States and Puerto Rico. Upon consummation of the Proposed Transactions, SkyOnline will own all of the issued and outstanding stock of Teleglobe PR.

Applicants state that grant of this application will serve the public interest because it will lead to the re-emergence of stronger and better-financed competitors in the market for telecommunications services in and between Puerto Rico, the continental United States and international points. SkyOnline asserts that it can operate Teleglobe PR's assets in an efficient and economical manner, and bring a stronger financial basis to these operations.

## **GENERAL INFORMATION**

The transfer of control application identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file **comments within 14 days** and **reply comments within 21 days** of this notice.<sup>4</sup> Unless otherwise notified by the Commission, an applicant is permitted to transfer control of the domestic lines or authorization to operate on the 31<sup>st</sup> day after the date of this notice. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appear in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Vistrionix, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

**In addition, one copy of each pleading must be sent to each of the following:**

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<sup>4</sup> See 47 C.F.R. § 63.03(a).

- (1) the Commission's duplicating contractor, Qualex International, 445 12<sup>th</sup> Street, S.W., Room CY-B402, Washington, D.C. 20554; e-mail: [qualexint@aol.com](mailto:qualexint@aol.com); facsimile: (202) 863-2898; phone: (202) 863-2893.
- (2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room 5-C437, Washington, D.C. 20554; e-mail: [twilson@fcc.gov](mailto:twilson@fcc.gov), and
- (3) William Dever, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room , 5-C266, Washington, D.C. 20554; e-mail: [wdever@fcc.gov](mailto:wdever@fcc.gov); and
- (4) Imani Ellis-Cheek, Telecommunications Division, International Bureau, 445 12<sup>th</sup> Street, S.W., Room 6-A739, Washington, D.C. 20554; email: [iellis@fcc.gov](mailto:iellis@fcc.gov); and
- (5) Nandan Joshi, Office of General Counsel, 445 12<sup>th</sup> Street, S.W., Room 8-A820, Washington, D.C. 20554; e-mail: [njoshi@fcc.gov](mailto:njoshi@fcc.gov).

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554, telephone 202-863-2893, facsimile 202-863-2898, or via e-mail [qualexint@aol.com](mailto:qualexint@aol.com).

For further information, please contact Tracey Wilson, at (202) 418-1394 or William Dever, Competition Policy, Wireline Competition Bureau at (202) 418-1578.

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